August 7, 2008

PROVISIONS REQUIRED IN ALL MEDICAL TRANSCRIPTION CONTRACTS

1. PURPOSE: This Veterans Health Administration (VHA) Directive establishes policy for standardized contract template language that must be used for all medical transcription contracts at all Department of Veterans Affairs (VA) facilities and Veterans Integrated Service Networks (VISNs).

2. BACKGROUND

- a. As a result of Office of the Inspector General (OIG) Report No. 04-00018-155, *Audit of the Veterans Health Administration's Acquisition of Medical Transcription Services* (June 2006), Health Information Management (HIM), in concert with the Office of Prosthetics and Clinical Logistics, developed a transcription contract template designed to meet the transcription contract needs of all VA facilities and VISNs.
- b. Because of the potential impact on small businesses when consolidating contracts, contracting officers are reminded to comply with the procedures associated with contract bundling as set forth in the Federal Acquisition Regulation (section 7.107) and Office of Acquisition and Logistics (formerly Materiel Management) Information Letter 049-04-5.
- c. The contractor must comply with all national guidelines for security and privacy including the Federal Information Security Management Act (FISMA), the Health Insurance Portability and Accountability Act (HIPAA) Privacy and Security Rules, the Privacy Act of 1974, and any additional Department of Veterans Affairs or VHA directives or requirements for compliance.
- **3. POLICY:** It is VHA policy that VHA's medical transcription contracts be consolidated into one contract per VISN (with multiple awards possible with delivery orders and task orders based on the contract; the VISN must use standardized contract language, perform billing validation, and attain the most favorable pricing possible.
- **4. ACTION**: The VISN Director, or designee, is responsible for ensuring:
 - a. This templated language is implemented for all new contracts (see Att. A).
- b. All existing contracts are terminated, once the new contract is in place, at the end of the existing term. Option years can not be exercised; however, option years that have been previously exercised having less than a 180-day remaining term, may be extended an additional 180 days before cancellation.

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- c. Contracting Officers state in the solicitation that all contracts for performance and verification of medical transcription are required to be physically located and the work is to be conducted within the United States. These stringent requirements are due to the security and privacy concerns associated with the sensitive data that is the subject of these contracts.
- d. The Contracting Officers Technical Representative (COTR) is responsible for verification of accurate invoicing, billing and to assure that all transcriptionists has had all mandatory training.
- **5. REFERENCE:** Veterans Health Administration Executive Decision Memo.
- **6. FOLLOW-UP RESPONSIBILITY:** The Chief, Prosthetics and Clinical Logistics Officer (10FL) is responsible for the content of this Directive. Questions should be directed to (202) 461-1776.
- **7. RESCISSION:** None. This VHA Directive expires August 31, 2013.

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ATTACHMENT A

PROVISIONS REQUIRED IN ALL MEDICAL TRANSCRIPTION CONTRACTS

1. SCOPE OF WORK

a. Module 1: Transcription Outsourcing Using VA Provided Dictation Equipment
The(Insert specific VA) has a requirement for traditional and speech recognition,
correction editing transcription services. The contractor must provide transcription services
utilizing the VA-owned dictation system(VA site to insert brand of dictation system
here) by electronically accessing or downloading VA's digital dictation voice files while
meeting VA information security requirements. The vendor is not to subcontract work to
another transcription firm without prior VA approval.

b. Module 2: Dictation and Transcription Outsourcing Using Vendor Supplied
<u>Dictation Equipment.</u> The(Insert specific VA) has a requirement for digital dictation,
traditional and correction editing medical transcription services using vendor-supplied dictation
equipment. In accordance with FAR 4.703, contracts files must be maintained for 3 years after
final payment. The contractor shall destroy the files on the anniversary of the third year after
final payment. The vendor is not to subcontract work to another transcription firm without prior
VA approval.

c. All transcription and verification must be performed in the United States of America. There are no Exceptions.

(1) **Visible Black Character.** A Visible Black Character is defined strike-able and visible characters and includes any printed letter, number, symbol, and/or punctuation mark excluding any or all formatting (e.g., bold, underline, italics, table structure, formatting codes). All visible black characters can be seen with the naked eye as a mark, regardless of whether viewed electronically or on a printed page.

A	В	C	D	Е	F	G	Н	Ι	J	K	L	M	N	О	P	Q	R	S	T	U	V	W	X	Y	Z
a	b	c	d	e	f	g	h	i	j	K	1	m	n	0	p	q	r	S	t	u	V	W	X	y	Z
~	!	@	#	\$	%	^	&	*	()		+	{	}	_	:	<	>	?	÷	±				
`	1	2	3	4	5	6	7	8	9	0	-	=	[]	\	;	6	,		/	"				

(2) **Visual Black Character (VBC) Line or ASCII no Spaces Line.** A VBC Line is defined as the total number of characters you can see with the naked eye, divided by 65. It includes any character contained within a header or footer. Spaces, carriage returns, and hidden format instructions, such as bold, underline, text boxes, printer configurations, spell check, etc., which are <u>not</u> counted in the total character count. A VBC Line is calculated by counting all visual characters and simply dividing the total number of characters by 65 to arrive at the number of defined lines.

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2. SYSTEM ACCESS

- a. Any remote access to VA systems that contain sensitive information must be done through the One-VA VPN. After contract award and prior to VA granting VPN access, the contractor will be required to complete all security requirements.
- b. In cases where VA owns and operates their own dictation or transcription equipment, system privileges must be defined outlining what access the contractor will have to provide transcription services while meeting VA security requirements.